



## Commonwealth of Kentucky Public Protection Cabinet

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### **Department of Insurance Fraud Division Recovers \$3 million in Court-Ordered Restitutions**

#### ***Good news for consumers, industry***

**Frankfort, Ky.** (Nov. 4, 2016) -- True to its mission to protect the Commonwealth's citizens from fraudulent insurance claims, the Fraud Division of the Kentucky Department of Insurance (DOI) announced today that it has increased the amount of court-ordered restitution payments this year by more than 800 percent. The increase—from \$369,762 in 2015 to more than \$3 million this year—accompanies 113 criminal convictions that have been secured through October.

"This is great news for Kentucky's citizens who have been squeezed by higher insurance premiums under Obamacare. Fighting insurance fraud is one way to keep premiums lower," said DOI Commissioner H. Brian Maynard. "The Fraud Division is producing tangible results for the Commonwealth, making a difference for the residents of our state and showing Washington that insurance works when it's left to the state rather than out-of-state bureaucrats."

According to the FBI, "[t]he total cost of insurance fraud (non-health insurance) is estimated to be more than \$40 billion per year. That means insurance fraud costs the average U.S. family between \$400 and \$700 per year in the form of increased premiums."

"DOI's Fraud Division is doing its part to create and promote a sound and fair marketplace by protecting the insurer and the insured from criminal activity," said division director Dwayne Depp. "Our team of sworn investigators and administrators work together to make sure justice is served. I'm grateful to Governor Bevin and Commissioner Maynard for giving us the freedom as experienced professionals to do what we do best in serving the Commonwealth."

First established as a crime unit in 1994, the Fraud Division's objective is to support DOI's mission and to aid law enforcement in criminal investigations of insurance fraud. The division's investigations often center on commonly committed frauds such as staged car accidents and exaggerated or fabricated worker's compensation or personal injury protection claims. The agency is currently coordinating more than 300 active fraud investigations with federal, state

and local law enforcement authorities, according to Fraud Division program coordinator Shawn Boggs.

For more information or to report insurance fraud, contact the Department of Insurance or the Fraud Division toll free at 502-564-3630 or visit <https://insurance.ky.gov>.

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